


Government of the District of Columbia  
Office of the Chief Financial Officer



**Jeff DeWitt**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia

**FROM:** Jeff DeWitt  
Chief Financial Officer 

**DATE:** November 3, 2014

**SUBJECT:** Fiscal Impact Statement – “Community Development Amendment Act of 2014”

**REFERENCE:** Bill 20-540, Committee Print provided to the Office of Revenue Analysis on October 30, 2014

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**Conclusion**

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the bill.

**Background**

Current law<sup>1</sup> requires financial institutions to submit to the Department of Insurance, Securities and Banking (DISB) an annual community development plan (“Plan”) stating the institution’s plans for meeting the credit and financial services needs of the residents of the District. The bill requires DISB to receive public comments on draft community development plans from District chartered banks, consider the responsiveness of institutions to the comments, and report on findings.

The bill requires several new items be included in the Plan, including:

- plans by the institution to make loans to elderly residents, as well as minority and low and moderate income residents;
- plans by the institution to make community development loans;
- plans by the institution to engage in foreclosure prevention and mitigation activities; and,
- plans by the institution to locate loan officers in the District.

Additionally, the bill outlines specific requirements for deposit-receiving intuitions contracting with the Office of the Chief Financial Officer (OCFO). First, responses to requests for proposals to provide financial services to OCFO must submit a Plan approved by an applicable regulatory

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<sup>1</sup> D.C. Official Code § 26-431.04.

The Honorable Phil Mendelson

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authority. Second, OCFO must consider the submitted Plan in its evaluation of proposals. Third, an institution contracting with OCFO must submit an updated Plan every two years. Lastly, a copy of the contract must be provided to DISB.

### **Financial Plan Impact**

Funds are sufficient in the FY 2015 through FY 2018 budget and financial plan to implement the bill. The changes to the plan requirements do not have a fiscal impact.